श्री जनेश्वर मिश्र : : महोदय, मैंने कोंकण रेल का कार्य रुकने के मुद्दे पर सवाल पूछा है। जिस की रफ्तार 160 किलोमीटर मानी गई थी, वह बिल्कुल ठप्प पड़ा हुआ है। मैं जानना चाहता हूं कि यह कार्य ठप्प क्यों पड़ा हुआ है?

SHRI C. K. JAFFER SHARIEF: I am glad that Mr. Janeshwar Mishra was very clear in his question. So far as the Konkan Railway project is concerned, it is a very unique project and it is keeping pace. There is no question of any delay in the project. If there is going to be some problem—actually we have not come to any problem—it is pertaining to the tunnels. Barring that, all the projects are going on in good speed. If the tunnels also do not create any problem, the project is likely to be completed by the end of March.

*104. [*The question (Shri V. Hanumantia Rao was absent) for answer, vide Col.———infra*]

*105. (*The questions (Shri Kanakshing Mohan Singh Mangrole and Shri Aas Mohammad) were absent) For answer, vide Col.....infra*]

Foreign Companies in the Marketing of Lubricant Oil

*106. SHRI K. RAHMAN KHAN: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the number of foreign Lubricant Oil Companies which have entered the lubricant oil market in India and their names;

(b) what is their share of Lubricant Oil Market as compared to the Lubricant oil of Government undertakings;

(c) whether the policy of allowing the import of Lubricating oil, has affected the business of public sector oil companies; and

(d) what is the total consumption of Lubricant Oil in India and what is the percentage of the total consumption met by the Public Sector Oil Companies?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS (CAPTAIN SATISH SHARMA): (a) to (d) A statement is laid on the Table of the House.

Statement

(a) According to available information, the following foreign lubricating oil companies have entered intended to enter the lubricating oil market in India, either independently or through joint venture with Indian companies:—

1. NYCO
2. FUCHS
3. SHELL INTERNATIONAL
4. CASTROL, UK
5. CALTEX
6. ELF, FRANCE
7. GULF OIL NOC. AUSTRIA
8. ENI, ITALY AND COLLA BIA CHEMICALS, USA.
9. EXXON
10. MOBIL
11. MOTUL
12. PENNZOIL
13. C. ITOH
14. MEINKIN GERMANY
15. IDIMITSU, SINGAPORE,
16. IIP & AN US CO.
17. LIOUIMOLY, GERMANY
18. TOTAL, FRANCE
19. TIDE WATER & MITSUBISHI
20. UNOCAL
21. VALVOLINE

(b) and (c) Th share of the public sector companies in the sale of the lubricants in the country has come down during the last two years and is now about 77 per cent. Share of the private sector companies including the earlier existing foreign companies comes to about 18 per cent. The

share of the foreign companies and/or their JVCs, which entered the lubricating oil market in India during the last two years or so, excluding the previously existing foreign companies like Castrol, Tide Water and Gulf Oil India, etc., is estimated to be 5 per cent.

(d) The total consumption of lubricating oils in the country during 1993-94 was about 914 TMT. Out of this, the share of the public sector oil companies was 700 TMT, which works out to about 77 per cent.

SHRI K. RAHMAN KHAN: Sir, I would like to know whether the Indian public sector oil companies are also having joint venture agreements with foreign oil companies and, if so, whether they are having manufacturing facilities in the country or they are importing lubricant oil directly.

CAPT. SATISH SHARMA: Sir, the public sector undertakings have also got tie-ups with the multinational companies. Most of the base oil is being produced by these public sector undertakings in the country.

SHRI K. RAHMAN KHAN: What are the plans for our public sector undertaking to have their own infrastructure in the country for producing base oil since we have a lot of refineries? I would like to know from the hon. Minister whether the Government is considering whether the public sector undertakings are considering, to have their own base oil facilities in the country.

CAPT. SATISH SHARMA: As I mentioned, Sir, as regards most of the base oil, the public sector undertakings have in-house capability. The whole rationale behind having these tie-ups for the public sector undertakings, besides the private sector companies which have come in, is mainly to have upgraded or high-tech lubes, which are not being blended in the country, to be blended here so that the public sector undertakings not only have a high-tech, better product for consumers in the country but also they are geared up for marketing their lubes for exports to the international market.

SHRI SURINDER KUMAR SINGLA: Sir, I think, the two major objectives for inviting foreign companies to the country were, if I am correctly stating, (1) to lower the prices through competition and (2) to upgrade the quality of the lubricants here. I would like to know from the hon. Minister whether these two objectives are achieved or not. Part (b) of my question is this. What is going to be the public sector's dominant monopoly position? Will it be broken or will it not be broken? Will the hon. Minister maintain its monopolistic position in the near future?

CAPT. SATISH SHARMA: Sir, the whole idea of having a level playing field for the public sector and the private sector which is coming in is to benefit the consumers, obviously to make the whole lube market competitive so that the consumers are benefited. That is the rationale behind the whole strategy. As far as upgrading is concerned, certainly through these tie-ups the quality of lube has been upgraded and is being upgraded. As I mentioned earlier, it will enable India not only to have high-tech lube for the local market but it will also enable the country to export the products.

SHRI INDER KUMAR GUJRAL): Sir, the controversy about the public sector and the private sector has to be looked into from a different angle. The controversy is not about the public sector and the private sector only. The controversy is about the national sector and the non-national sector. The issue has to be looked into, of course, in terms of the public sector and the private sector, but the more important thing is that it has also to be looked into in terms of national sector and non-national sector. I would like to know from the hon. Minister whether any study has been made that all the non-national sectors, particularly the multinationals that are trying to enter into this sector are having any superior technology or it is only an effort to create market monopoly because marketing is being done not in terms of

technology but in terms of propaganda. I would like to know what steps the hon. Minister is taking to ensure that the national sector is protected in this particular area and nobody is allowed to enter any sector in which we can do on our own.

CAPT. SATISH SHARMA: Sir, as far as upgradation of lube is concerned, the whole question of national or non-national sector, I think, is an irrelevant issu. The main issue is... (*Interruptions*).

SHRI S. JAIPAL REDDY: Sir, how can he say that... (*Interruptions*). I don't think the hon. Minister... (*Interruptions*).

CAPT. SATISH SHARMA: I would like to explain it. (*Interruptions*).

SHRI INDER KUMAR GUJARAL: Sir.... (Interruptions).

CAPT. SATISH SHARMA: Why don't you allow me to answer? (*Interruptions*). Sir, why are not they allowing me to answer the question? They can always put their supplementaries. Noboby is stopping the. (*Interruptions*). Let me explain it to the hon. Member.

THE CHAIRMAN: Mr. Minister, you withdraw that statement.

CAPT. SATISH SHARMA: Sir, I withdraw that statement. I don't mean that the national sector is irrelevant. What I was trying to say is... (*Interruptions*).

SHRI INDER KUMAR GUJARAL: Sir, the hon. Minister says that the issue of national sector is irrelevant. I hope he does not mean that nation is irrelevant. I thank the nation is very much relevant.

THE CHAIRMAN: He has withdrawn his statement.

CAPT. SATISH SHARMA: Sir, it was not my intention to say that the national sector is irrelevant. The hon. Member is talking about the lube issue. What I would like to say is, first of all, the hon. Member has to understand what this lube issue is all about. It is very important. Why is this high-tech lube required, to star with? There has to be a rationale, there has to be a logic, for our public sector units or other companies to get upgraded lube, to bring in the upgraded lube, through technology tie-ups with the multinationals. All I want to say is that the important issue here, which has to be understood, is that these high-tech lubes are needed to meet the requirements of the new generation engines which are coming in, whether in the automobile sector or railways or power sector or various other sectors, in order to bring about greater efficiency of those engines, to promote fuel conservation and to reduce environmental pollution. So, all these are the resultant effects of high-tech lubes being utilised. If you remember, in the past, we had mono-based lubes where for winter, we had one kind of a lubes, and for summer, we had to change another lubes with different specifications. So, these high-tech lubs. are the ones which provide a much better efficiency and are also effective pollution-wise. This high-tech lube, is required not only for domestic market but, as the hon. Member has mentioned, it is also for the national sector. It is for the nation, for us to be in a position to export these lubes. There is a big market worldwide and we believe that we will be in a position to export our lubes. Sir, through you, I would inform the House that the fact is that India did not even have the capability to make lubes, for our defence needs, for our aviation sector and so on. With one of the tie-ups, namely, with N YCO, we will be producing one particular lube, which will meet our aviation sector, our defence needs and all that. So, Sir, it is a national necessity.

SHRI INDER KUMAR GUJRAL : Sir, has the hon. Minister done any study (*Interruptions*).

SHRI SATISH AGARWAL : The hon. Minister has made out a complete case that our own public sector units are incompetent... (*Interruptions*). I strongly object to it... (*Interruptions*).

SHRI V. NARAYANASAMY : No, no, what he says is that there will be a fair competition betweeen the public sector and the private sector ...(*Interruptions*)

SHRI SATISH AGARWAL : Our public sector companies are very much competent. Even if they are incompetent, should be made competent...(*Interruptions*)

CAPT. SATISH SHARMA : I did not say at all. In fact, through you, Sir, I want to reiterate...(*Interruptions*)

SHRI SATISH AGARWAL : Sir,... (*Interruptions*)

MR. CHAIRMAN : Please, the questions to put some questions. Let ... so...(*Interruptions*)

SHRI SATISH AGARWAL : Sir, I too raised my hand. But I am not getting a chance.

SHRI INDER KUMAR GUJRAL : Sir, the hon. Minister is making out a case for some gap in the technology to be met by imports. May I ask him whether any expert commitee has worked out the details of the technology gap? What technology is needed? Are the steps being taken for technology transfer or are they for opening up the market only? Let the Minister answer... (*Interruptions*)

SHRIMATI RENUKA CHOWDHURY: Is it cost-effective (*Interruptions*)

SHRI SATISH AGARWAL : It is just trading and nothing else...

MR. CHAIRMAN: Let the Minister answer.

CAPT. SATISH SHARMA : Sir, as I have mentioned earlier, through the opening up of the lub. sector, the public sector undertakings are also going in for tie-ups with multinationals for various reasons : (a) to upgrade their technology; (b) to be in a stronger position in the long-run because the public sector undertakings in India control the outlets all over the country ...(*Interruptions*). So, it will only help the public sector companies in India to be in a stronger position on the one hand..(*Interruptions*) As I mentioned earlier, the consumers, at large, stand to benefit because of the competition which is coming in and also the private companies which are coming up ...(*Interruptions* Various companies have been given the freedom to choose their own tie-ups so that they will get the technology which they think is the best for them. This freedom has been given to the companies ...(*Interruptions*)

SHRIMATI RENUKA CHOWDHURY : How much money is going to be spent? (*Interruptions*) What is the status of our R and D (*Interruptions*)

MR. CHAIRMAN : Yes, Mr. Biplab Dasgupta ... (Interruptions)

SHRI SATISH AGARWAL : The Minister is not prepared to answer...

MR. CHAIRMAN : There is one minute only left.

DR BIPLAB DASGPUTA : Sir, I need not inform, the hon. Members on the other side as to how important a lubricant is even for the politics of the country. My questions are : (a) Is the Minister aware that the foreign companies, which were operating in India having a monopoly until the mid-50s, did not allow our Indian oil industry to grow as a result of which Pt. Jawaharlal Nehru was forced to start public sector organisations in our country? (b) Is he aware that until now the lubricant industry in the world is under a strong central monopoly? What is he going to do to protect the Indian interest?

MR. CHAIRMAN : Question Hour is over.